Bear Creek Canyon
ACT/015/025
Folder #5

IRREVOCABLE LETTER OF CREDIT

UNITED BANK
5595 South State Street
Murray, Utah 84107

Irrevocable Commercial
Letter of Credit

No. 294-80   Date: August 1, 1980

State of Utah
Division of Oil, Gas and Mining
State Capitol Building
Salt Lake City, Utah 84114

Gentlemen:

We hereby authorize you to draw on United Bank, P. O. Box 7540, Murray, Utah, by order of Co-op Mining Company and for the account of Co-op Mining Company up to and aggregate amount of $47,165.00 available by your drafts at sight accompanied by a signed statement from your division that Co-op Mining Company has failed to conduct appropriate reclamation activities and that the State will therefore use the funds as necessary to complete the reclamation activities on the mining property located in Huntington Canyon, Emery County. Subject, however, to the automatic renewal of this letter of credit for four additional terms of one year each.

Drafts must be drawn and negotiated not later than August 1, 1981. Each draft must state that it is "drawn under letter of credit of United Bank No. 294-80 dated August 1, 1980" and the amount endorsed on this letter of credit.

We hereby agree with the drawers, endorsers and bona fide holders of all drafts drawn under and in compliance with the terms of this credit, that such drafts will be duly honored upon presentation to the drawee.

United Bank agrees to inform the Division of any event which would jeopardize the validity of their letter of credit, including the bank's ability to pay pursuant to the terms hereof or the expiration of their letter of credit by agreement between Coop Mining Company and United Bank

This letter of credit is not transferrable.

Except so far as otherwise expressly stated, this credit is subject to the Uniform Customs and Practice for Commercial Documentary Credits fixed by the Thirteenth Congress of the International Chamber of Commerce.

Very truly yours,

UNITED BANK

John S. Malecker
Executive Vice President

RECEIVED
APR 3 1980

DIVISION OF
OIL GAS & MINING